

**SOUTH BURBANK CRIME PREVENTION
AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA**

**COMPONENT UNIT FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2012

**SOUTH BURBANK CRIME PREVENTION
AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
COMPONENT UNIT FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
DECEMBER 31, 2012**

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COMPONENT UNIT FINANCIAL STATEMENTS

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American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT AUDITORS' REPORT

Board of Commissioners of the
South Burbank Crime Prevention and
Development District
P. O. Box 174
Baton Rouge, Louisiana 70810

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the South Burbank Crime Prevention and Development District as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the South Burbank Crime Prevention and Development District's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the component unit financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

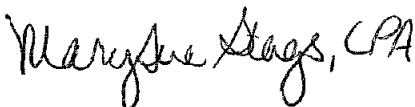
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the South Burbank Crime Prevention and Development District as of December 31, 2012, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters - Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule be presented to supplement the component unit financial statements. Such information, although not a part of the component unit financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the component unit financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the component unit financial statements and other knowledge we obtained during our audit of the component unit financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2013, on our consideration of the South Burbank Crime Prevention and Development District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the South Burbank Crime Prevention and Development District's internal control over financial reporting and compliance.



Mary Sue Stages, CPA
A Professional Accounting Corporation
Baker, LA
August 9, 2013

REQUIRED SUPPLEMENTAL INFORMATION
(PART 1 OF 2)

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2012**

Management's discussion and analysis (MD&A) is a required element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34. Its purpose is to provide an overview of the financial activities of the District based on currently known facts, decisions and/or conditions.

OVERVIEW OF THE FINANCIAL STATEMENT PRESENTATION

These financial statements are comprised of these components – (1) government-wide financial statements; (2) fund financial statements and (3) notes to the financial statements. There is also other supplementary information contained in this report provided for additional information as described in the accompanying independent auditors' report.

Government-wide Financial Statements. The government-wide financial statements present financial information for all activities of the District from an economic resource measurement focus using the accrual basis of accounting. These provide both short-term and long-term information about the District's overall financial status. They include a statement of net position and statement of activities.

Statement of Net Position. This statement presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or not.

Statement of Activities. This statement presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the District's financial reliance on general revenues.

The government-wide financial statements can be found on pages 8-9 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one category of funds: governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the focus with fund statements is to provide a distinct view of the District's governmental funds only. These statements report short-term fiscal accountability emphasizing the use of spendable resources during the year and balances of spendable resources available at the end of the year.

Governmental funds of the District include a general fund that is used to account for all accounts not required to be accounted for separately. The fund financial statements can be found on pages 11-12 of this report.

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2012**

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The index of the notes is found on page 14 with the actual notes beginning immediately afterwards.

Other Information. In addition to the component unit financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary comparisons following the notes. This schedule indicates the District's compliance with its adopted and final revised budgets.

FINANCIAL ANALYSIS OF THE DISTRICT

Net assets are an indicator of the District's financial position from year to year. A summary follows.

**SUMMARY OF NET POSITION
Governmental Activities**

	<u>2012</u>	<u>2011</u>
Assets		
Current assets	\$ 485,308.50	\$ 356,879.45
Liabilities		
Current liabilities	<u>24,617.96</u>	<u>46,435.65</u>
Net Assets		
Restricted	<u>460,690.54</u>	<u>310,443.80</u>

A summary of changes in net position is as follows:

**SUMMARY OF CHANGES IN NET ASSETS
Governmental Activities**

	<u>2012</u>	<u>2011</u>
Revenues		
Parcel fees	\$ 192,855.52	\$ 117,521.52
Interest earned	<u>2,921.88</u>	<u>2,394.98</u>
Total Revenues	195,777.40	119,916.50
Expenses		
General government	<u>45,530.66</u>	<u>26,768.84</u>
Change in Fund Balances	<u>150,246.74</u>	<u>93,147.66</u>

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2012**

BUDGETARY HIGHLIGHTS

The District's parcel fees were \$6,786 more than anticipated. Interest income was also more than expected by \$1,227. Expenditures were under budgeted amounts by \$391,975. Together, these resulted in a positive variance in the change in fund balances of \$398,761.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The District has no capital assets.

Long-Term Debt: The District currently has no long-term debt.

ECONOMIC ENVIRONMENT AND NEXT YEAR'S BUDGET

The District has plans to resume security patrols for the District in an effort to deter crime with the increased presence of security officers. Funds have been dedicated for community meetings to allow law enforcement personnel to interact with the citizens within the District thus enhancing crime prevention/detection. Efforts were made during the year and will continue to be made in keeping vacated lots clean of weeds and debris.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations and demonstrate the District's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting South Burbank Crime Prevention and Development District, P. O. Box 174, Baton Rouge, Louisiana 70810.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2012**

ASSETS

Cash and cash equivalents	\$ 295.69
Cash and cash equivalents, held by others	366,084.85
Accounts receivable, net	118,801.63
Accrued interest receivable	<u>126.33</u>

Total Assets 485,308.50

DEFERRED OUTFLOWS OF RESOURCES

-

LIABILITIES

Accounts payable	2,400.00
Due to other governmental agencies	<u>22,217.96</u>

Total Liabilities 24,617.96

DEFERRED INFLOWS OF RESOURCES

-

NET POSITION

Restricted	<u><u>460,690.54</u></u>
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See Accompanying Notes and Independent Auditors' Report

SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012

<u>Functional/Programs</u>	<u>Program Revenues</u>				<u>Net Revenues (Expenses)</u>
	<u>Expenses</u>	<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities					
General government	\$ 11,900.00	\$ -	\$ -	\$ -	\$ (11,900.00)
Intergovernmental	33,630.66	-	-	-	(33,630.66)
Total Governmental Activities	45,530.66	-	-	-	(45,530.66)
General Revenues					
Parcel fees					192,855.52
Interest earnings					2,921.88
Total General Revenues					195,777.40
Change in Net Position					150,246.74
Net Position, beginning					310,443.80
Net Position, ending					460,690.54

See Accompanying Notes and Independent Auditors' Report

FUND FINANCIAL STATEMENTS

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

ASSETS

Cash and cash equivalents	\$ 295.69
Cash and cash equivalents, held by others	366,084.85
Accounts receivable, net	118,801.63
Accrued interest receivable	<u>126.33</u>
Total Assets	<u><u>485,308.50</u></u>

LIABILITIES AND FUND BALANCES

Liabilities:	
Accounts payable	2,400.00
Due to other governmental agencies	<u>22,217.96</u>
Total Liabilities	24,617.96
Fund Balances:	
Restricted for crime prevention/development	<u>460,690.54</u>
Total Liabilities and Fund Balances	<u><u>485,308.50</u></u>

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2012**

REVENUES

Parcel fees	\$ 192,855.52
Interest earned	<u>2,921.88</u>
Total Revenues	195,777.40

EXPENDITURES

General government:	
Collection fees	33,630.66
Maintenance	8,000.00
Professional fees	<u>3,900.00</u>
Total Expenditures	<u>45,530.66</u>
Change in Fund Balances	150,246.74
Fund Balances, beginning	<u>310,443.80</u>
Fund Balances, ending	<u><u>460,690.54</u></u>

See Accompanying Notes and Independent Auditors' Report

NOTES TO FINANCIAL STATEMENTS

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

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**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

INTRODUCTION

The South Burbank Crime Prevention and Development District (hereinafter referred to as the District), was created in 2004, by Louisiana Revised Statute 33:9097.2 as a political subdivision of the state as defined in the Constitution of Louisiana. It is governed by a board of commissioners consisting of eleven members appointed as follows: (1) four members by the board of directors of the GSRI Property Owners Association; (2) one member by the area's Louisiana Representative; (3) one member by the area's Louisiana Senator; (4) one member by the East Baton Rouge Parish Assessor; (5) one member by any subdivision or condominium association recognized by the Greater Baton Rouge Federation of Civic Associations on a rotating basis in the event of multiple associations; (6) one member by the mayor-president; and (7) one member by the area's council member(s). The president of the GSRI Property Owners Association serves as an ex-officio member. All members are required to own property or be a registered voter within the District and at least two members must reside within the District's boundaries. They are not paid for their services nor reimbursed for their expenses.

The District was created to aid in crime prevention, eliminate blight and to increase security of residents by providing an increase in the presence of law enforcement personnel or contracted security personnel.

Funds are provided through the assessment of a parcel fee to which the authority to impose and collect such fees was given to the City of Baton Rouge/Parish of East Baton Rouge. The levy of the parcel fees is for a period of four years.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accounting and reporting practice of the District conforms to governmental accounting principles generally accepted in the United States of America. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide *Audits of State and Local Governmental Units*.

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the City of Baton Rouge/East Baton Rouge Parish is the financial reporting entity for East Baton Rouge Parish. The District is considered a component unit of the City of Baton Rouge/East Baton Rouge Parish because it has the authority to impose and collect the only revenue source of the District and because the District's territory lies within the Parish of East Baton Rouge. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the City of Baton Rouge/East Baton Rouge Parish, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

Fund Accounting: The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate entity with a self-balancing set of accounts. Funds of the District are classified under one category: governmental. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds: Governmental funds account for all or most of the District's general activities, including the collection and disbursement of specific or legally reserved monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds of the District include:

1. General Fund – the primary operating fund that accounts for all activities not required to be reported in another fund.

Basis of Accounting/Masurement Focus: In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles. The type of financial statement presentation determines the accounting and financial reporting treatment applied to a fund.

The fund statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated. Principle and interest paid on long-term debt is reported as current expenses.

Budgets: The District adopts an annual budget for its general fund, prepared in accordance with the basis of accounting utilized by that fund. It is published and made available for public inspection prior to the start of the fiscal year. Appropriations lapse at year-end. There were no amendments made to the budget during the year ended December 31, 2012.

Cash and Cash Equivalents: Cash includes amounts in interest bearing demand deposits. Cash equivalents include amounts in investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state of the United States or under the laws of the United States.

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

Investments: Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. The District did not have any investments at December 31, 2012.

Inventory: Inventory of the District includes only office supplies, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

Receivables: Trade receivables are recorded at management's estimate of the amount that is expected to be collected. This is based in part on historical information and known facts from the subsequent period. Revenues become susceptible to accrual when they become both measurable and available.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Capital Assets: The District's assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing assets. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows: equipment and furniture – 5-7 years. The District currently has no capital assets.

Compensated Absences: The District does not have any employees.

Long-Term Obligations: In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the statement of net assets. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. The District currently has no long-term debt.

Net Position/Fund Balances: In the statement of net position, the difference between a government's assets, deferred outflows, liabilities and deferred inflows of resources is recorded as net position. The three components of net position are as follows:

Net Investment in Capital Assets

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

Restricted

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

Unrestricted

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component s of net position.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

Non-spendable

This includes amounts in permanent funds and inventories that are permanently precluded from conversion to cash.

Restricted

Fund balances that are restricted include those resources constrained to a specific purpose by enabling legislation, external parties or constitutional provisions.

Committed

Fund balances may be committed for a specific purpose by the highest level of decision making authority through a formal action such as the adoption of an ordinance. The removal of or change in this commitment can only be accomplished by the same level of authority through the same type of action taken to commit the fund balances initially.

Assigned

Resources earmarked for a specific purpose by a government's management are reported as assigned fund balances.

Unassigned

This category represents that portion of equity that are available for any purpose.

NOTE 2 – CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La. Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. With the adoption of GASB Statement No. 40, only deposits considered exposed to custodial credit risk are required to be disclosed. The District has no deposits exposed to custodial credit risk.

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

The cash and cash equivalents on hand (book balances) of governmental activities are as follows:

Interest-bearing demand deposits	\$ 295.69
Interest-bearing demand deposits, held by others	<u>366,084.85</u>
Total	<u>366,380.54</u>

Of the cash balances included above, \$366,084.85 is held by the East Baton Rouge Parish on behalf of the District. Access to these funds is at the approval of the City of Baton Rouge/East Baton Rouge Parish.

NOTE 3 – RECEIVABLES

The net receivables at December 31, 2012, are as follows:

Class of Receivables

Parcel fees	\$ 118,801.63
Interest	<u>126.33</u>
Total	<u>118,927.96</u>

NOTE 4 – RESTRICTED NET POSITION

The funds generated by the District, as stipulated in La. R.S. 33:9097.2, are to be used to aid in crime prevention and blight elimination through education and increased presence of law enforcement. For this reason, the fund balances are restricted for this purpose.

Fund balances reserved for:

Crime prevention/development	\$ <u>460,690.54</u>
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NOTE 5 – LEASES

Operating Leases. The District does not have any leases.

Capital Leases. The District has no capital leases.

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 6 – RELATED PARTY TRANSACTIONS

There are no related party transactions that require disclosure in the accompanying basic financial statements.

NOTE 7 – LITIGATION AND CLAIMS

There is no litigation that would require disclosure in the accompanying basic financial statements.

NOTE 8 – SUBSEQUENT EVENTS

There were no events between the close of the year through issuance of this report that would materially impact these basic financial statements.

REQUIRED SUPPLEMENTAL INFORMATION
(PART 2 OF 2)

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Parcel fees	\$ 186,070.00	\$ 186,070.00	\$ 192,855.52	\$ 6,785.52
Interest earned	1,695.00	1,695.00	2,921.88	1,226.88
Total Revenues	187,765.00	187,765.00	195,777.40	8,012.40
<u>EXPENDITURES</u>				
General government:				
Collection fees	40,000.00	40,000.00	33,630.66	6,369.34
Maintenance/security	393,506.00	393,506.00	8,000.00	385,506.00
Professional fees	4,000.00	4,000.00	3,900.00	100.00
Total Expenditures	437,506.00	437,506.00	45,530.66	391,975.34
Change in Fund Balances	(251,436.00)	(251,436.00)	147,324.86	398,760.86
Fund Balances, beginning	310,443.80	310,443.80	310,443.80	-
Fund Balances, ending	59,007.80	59,007.80	457,768.66	398,760.86

See Independent Auditors' Report

SUPPLEMENTARY INFORMATION

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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

**REPORT ON COMPLIANCE AND OTHER MATTERS AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners of the
South Burbank Crime Prevention and
Development District
P. O. Box 174
Baton Rouge, Louisiana 70810

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and remaining fund information of the South Burbank Crime Prevention and Development District as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the South Burbank Crime Prevention and Development District's financial statements, and have issued our report thereon dated August 9, 2013.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the South Burbank Crime Prevention and Development District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and is identified as 2012.01 in the accompanying schedule of findings and responses.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the South Burbank Crime Prevention and Development District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our

opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the South Burbank Crime Prevention and Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of the South Burbank Crime Prevention and Development District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mary Sue Stages, CPA". The signature is written in a cursive, flowing style.

Mary Sue Stages, CPA,
A Professional Accounting Corporation
Baker, LA
August 9, 2013

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
SCHEUDLE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2012**

We have audited the financial statements of the South Burbank Crime Prevention and Development District as of and for the year ended December 31, 2012, and have issued our report thereon dated August 9, 2013. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2012, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

A. Report on Compliance and Internal Control Material to the Financial Statements

Internal Control	Deficiencies	<input type="checkbox"/> No
	Material Weakness	<input type="checkbox"/> No
Compliance	Compliance Material to F/S	<input type="checkbox"/> No

B. Federal Awards

N/A

Section II Financial Statement Findings

2012.01 Compliance with Audit Law

Criteria. Louisiana Revised Statute 24:513 requires that an audited financial statement be submitted to the Legislative Auditor within six months of the close of an entity's fiscal year. This equates to June 30th for the District.

Condition. This deadline was not met for the year ended December 31, 2012.

Impact. The District is not in compliance with applicable laws.

Recommendation. We recommend that the District make every attempt to comply with this requirement in the future.

Management's Response. We will comply with this recommendation.

Section III Federal Award Findings and Questioned Costs

N/A

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2012**

Section I Internal Control and Compliance Material to the Financial Statements

2011.01 Compliance with Audit Law

Condition. The deadline for submitting audited financial statements to the Legislative Auditor was not met

Recommendation. To make every effort to provide books/records timely in order to meet this deadline

Disposition. Unresolved

Section II Compliance and Internal Control Material to Federal Awards

N/A

Section III Management Letter

N/A

**SOUTH BURBANK CRIME PREVENTION AND DEVELOPMENT DISTRICT
OF EAST BATON ROUGE PARISH, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2012**

Section I Compliance and Internal Control Material to the Financial Statements

N/A

Section II Compliance and Internal Control Material to Federal Awards

N/A

Section III Financial Statement Findings

2011.01 & 2012.01 Compliance with Audit Law

Please refer to management's response in the schedule of findings and responses